

SENATE BILL REPORT

SHB 2675

As of March 1, 2008

Title: An act relating to a property tax exemption for the administrative offices of certain nonprofit organizations.

Brief Description: Providing for a property tax exemption for the administrative offices of certain nonprofit organizations.

Sponsors: House Committee on Finance (originally sponsored by Representatives Hasegawa and Chase).

Brief History: Passed House: 2/18/08, 94-1.

Committee Activity: Ways & Means: 3/03/08.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Dean Carlson (786-7305)

Background: Property tax exemptions are currently provided for a variety of nonprofit organizations. However, the only exemption which applies to administrative offices is for religious organizations.

There are currently ten community-based development organizations (CBDOs) in the state – nine are in King County and one is in Spokane County. Community housing development organizations (CHDOs) total 43; these are located in Chelan, Clark, King, Kitsap, Pierce, Skagit, Snohomish, Spokane, and Thurston Counties. In addition, there are four combined CBDOs and CHDOs located in King County.

Summary of Bill: Provides a new property tax exemption for CBDOs or CHDOs; the exemption applies to both real and personal property owned by an eligible entity. The exemption is restricted to administrative offices that deal with low- and moderate-income housing programs of the organization. To qualify, the organization must be nonprofit 501(c) (e) of the Internal Revenue Code, and be a CBDO or a CHDO pursuant to the U.S. Department of Housing and Urban Development definitions.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

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